

Introduced by Senator Ortiz

February 22, 2006

An act to add Section 12315 to the Welfare and Institutions Code, relating to in-home supportive services.

LEGISLATIVE COUNSEL'S DIGEST

SB 1435, as introduced, Ortiz. IHSS pilot project: eligibility: purchase of service.

Existing law provides for the In-Home Supportive Services (IHSS) program, under which, either through employment by the recipient or by or through contract by the county, qualified, aged, blind, and disabled persons receive services enabling them to remain in their own homes. Counties are responsible for the administration of the IHSS program.

This bill would require the department to establish a 4-year pilot project, that would authorize certain individuals who are not financially eligible to receive in-home supportive services, to purchase those services. The bill would require the pilot project to be conducted in 3 counties that consent to participate, and would require the department to develop eligibility guidelines for individuals who purchase services under the pilot project, in conjunction with designated entities and stakeholders.

This bill would require a participating county to evaluate the pilot project in accordance with criteria set forth in the bill. The bill would require the department to ensure that the pilot project is conducted so as to secure maximum federal financial participation.

This bill would provide that participating counties would not have a share of cost for the administration of, or services provided under, the bill. The bill would prohibit a person providing in-home supportive services pursuant to the bill from being paid more in wages and

benefits than if the person were providing those services to an individual under the In-Home Supportive Services program, and would prohibit the eligibility assessment of an applicant under the In-Home Supportive Services program from being delayed by the eligibility assessment of a person desiring services under the bill. It would further provide that it shall only be implemented if sufficient funds are appropriated in the annual Budget Act.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known and may be cited as the
2 California In-Home Supportive Services Public-Private
3 Partnership Pilot Project Act.

4 SEC. 2. The Legislature finds and declares all of the
5 following:

6 (a) California has a rapidly aging population.

7 (b) According to the Legislative Analyst's office, between
8 2004 and 2010, the number of Californians 65 years of age and
9 older will increase by 2.4 percent per year, which will result in an
10 increase of more than 604,000 Californians in this age group in
11 just six years.

12 (c) The Department of Finance projects that Californians over
13 65 years of age, which was 3,627,284 in 2000, will have grown
14 to number at least 4,526,578 by 2010.

15 (d) This explosion in our aging population will devastate
16 California's health care delivery system unless action is taken to
17 improve our ability to provide low-cost personal care services as
18 an alternative to acute care and nursing home stays.

19 (e) Unique public-private partnerships should be created to use
20 economies of scale to effectively and efficiently deliver services
21 to this population.

22 (f) California has developed an in-home supportive services
23 (IHSS) delivery system that is, by virtue of its ubiquity and
24 cost-effectiveness, uniquely qualified to help deal with this
25 growing aging population.

26 (g) Allowing the IHSS delivery system, which has been
27 created with public funds, to reduce nursing home costs and to
28 keep persons safely at home, to begin to deliver at-cost services

1 to Californians who do not qualify for Medi-Cal, is an
2 appropriate reward for taxpayers who have paid to create this
3 infrastructure.

4 (h) Any use of this system for private-pay patients shall
5 require that neither the state nor the counties spend taxpayer
6 dollars to assess, provide services to, bill, or collect payment
7 from these private-pay patients.

8 (i) Any use of this system to create or employ a payroll system
9 for the providers of these services shall also be borne by the
10 private-pay patients.

11 (j) Any public-private partnership undertaken under this
12 section shall comply with governing Medicare and Medicaid
13 rules and regulations.

14 SEC. 3. Section 12315 is added to the Welfare and
15 Institutions Code, to read:

16 12315. (a) (1) The department shall conduct a pilot project
17 for the purpose of authorizing the individuals described in
18 subdivision (b) to purchase, at their own expense, in-home
19 supportive services (IHSS) pursuant to this chapter. The pilot
20 project shall continue for four years, and by the end of the third
21 year, each participating county shall evaluate the success of the
22 pilot project, based on the criteria set forth in subdivision (c). The
23 pilot project shall be conducted in three counties that consent to
24 participate.

25 (2) The department shall invite up to three counties to
26 participate in the pilot project, one of which may have a
27 population of fewer than 200,000, one of which may have a
28 population between 200,000 and 700,000, and one of which may
29 have a population greater than 700,000.

30 (3) The department, in conjunction with the California
31 Association of Counties, the County Welfare Directors
32 Association of California, the California Association of Public
33 Authorities and other stakeholders, shall develop eligibility
34 guidelines for individuals wishing to purchase in-home
35 supportive services under the pilot project.

36 (b) The pilot project established pursuant to this section shall
37 apply to a qualified individual who is not otherwise eligible to
38 receive services pursuant to this chapter or pursuant to the
39 Medi-Cal program, because his or her income level is too high to

1 receive those services, but is less than 300 percent of the federal
2 poverty level.

3 (c) The success of the pilot project shall be based on the
4 following factors:

5 (1) Consumer satisfaction.

6 (2) Cost-effectiveness.

7 (3) Average turnover of providers.

8 (4) The effect of the pilot project on non-IHSS vendors,
9 workers, and referral agencies.

10 (d) In evaluating the project, the county shall ensure all of the
11 following:

12 (1) An independent, impartial, outside evaluator or a county
13 employee independent of the project shall be used.

14 (2) If the county decides to employ an outside evaluator, the
15 county shall be responsible for all costs associated with the
16 evaluation.

17 (3) The department shall approve the evaluation design and
18 plan.

19 (4) Quarterly progress reports shall be completed during the
20 evaluation year.

21 (e) The department shall take all necessary steps to ensure that
22 the pilot project is conducted so as to secure maximum federal
23 financial participation.

24 (f) The department shall furnish the results of the evaluation of
25 each pilot project to the relevant policy and budget committees of
26 the Legislature.

27 (g) Using existing assessment methods, a participating county
28 shall assess individuals who wish to purchase in-home supportive
29 services under the pilot project, in order to ensure program
30 integrity and continuity.

31 (h) A participating county shall not be responsible for any
32 share of cost for the administration of the pilot project, or for the
33 services provided under the pilot project.

34 (i) A payroll or billing system created for the purpose of
35 implementing this section shall not be paid for with public funds.

36 (j) An individual qualified to receive services under this
37 section shall have the right to hire and fire his or her individual
38 provider.

39 (k) A participating county shall ensure that a worker providing
40 in-home supportive services to a person described in subdivision

1 (b) shall be paid no more in wages and benefits than the worker
2 would receive if he or she were providing the same services to an
3 individual who is eligible to receive in-home supportive services
4 under this chapter.

5 (l) A participating county shall ensure that no person who
6 applies to receive in-home supportive services under this chapter
7 shall have his or her assessment of eligibility for those services
8 delayed by the assessment of eligibility for services of a person
9 described in subdivision (b).

10 (m) This section shall only be implemented if sufficient funds,
11 as determined by the department, are appropriated in the annual
12 Budget Act. All costs incurred by a participating county in the
13 implementation of this section shall be funded by that
14 appropriation.